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REALTOR®

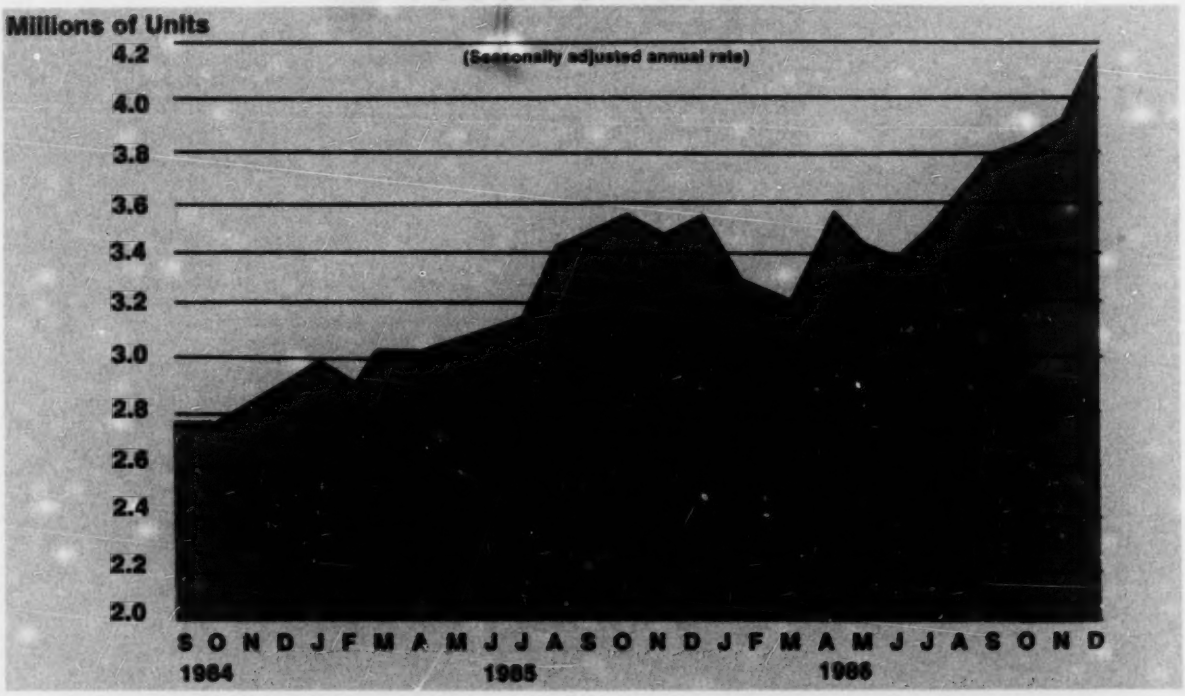
MONTHLY REPORT

home sales existing

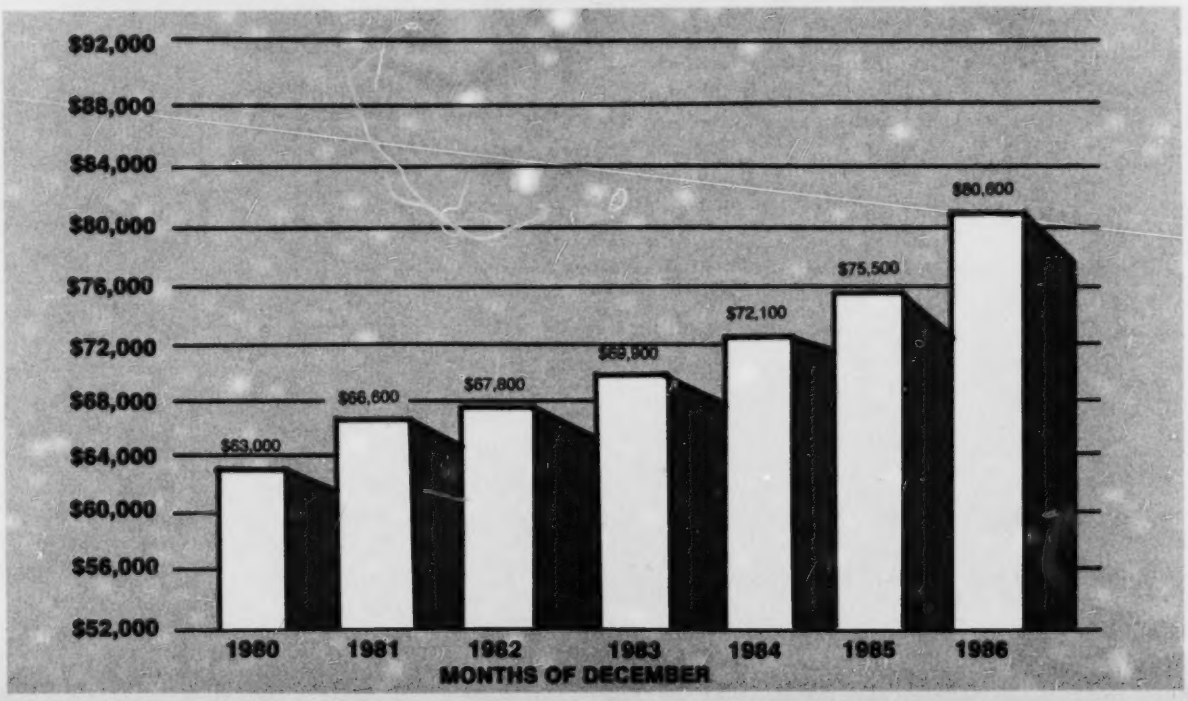
NATIONAL ASSOCIATION OF REALTORS® • ECONOMICS AND RESEARCH DIVISION

January, 1987

EXISTING SINGLE-FAMILY HOME SALES FOR THE UNITED STATES



MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES IN THE UNITED STATES FOR THE MONTH OF DECEMBER 1980-1986



SURVEY DESCRIPTION

Publication

1. "Existing Home Sales" is a monthly publication of the NATIONAL ASSOCIATION OF REALTORS®.

Coverage

2. Each month the REALTORS® Economics and Research Division receives data on existing single-family home sales from over 325 Boards of REALTORS® and multiple listing systems. In 1985 data on over 1,420,000 existing single-family homes were received and processed.

3. Participating Boards are situated in every region of the country and provide wide geographic coverage of the existing home market. While almost all are located in, or adjacent to, standard metropolitan statistical areas, comparisons of their sales reports with data from the Annual Housing Survey show that, as a group, their experience is representative of the sales activity and prices that generally prevail in each region of the country.

Regions

4. Statistics on sales volume and price are published for the U.S. and for the four standard Census regions of the country. States contained in each region are as follows:

NORTHEAST
Connecticut
Maine
Massachusetts
New Hampshire
New Jersey
New York
Pennsylvania
Rhode Island
Vermont

SOUTH
Alabama
Arkansas
Delaware
Dist. of Columbia
Florida
Georgia
Kentucky
Louisiana
Maryland
Mississippi
North Carolina
Oklahoma
South Carolina
Tennessee
Texas
Virginia
W. Virginia

MIDWEST
Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin

WEST
Alaska
Arizona
California
Colorado
Hawaii
Idaho
Montana
Nevada
New Mexico
Oregon
Utah
Washington
Wyoming

5. Regional weights have been developed to represent the estimated importance of each region in the national existing home market. These weights are based on the regional distribution of owner-occupied single-family dwelling units and homeowner mobility. Weights are periodically revised to reflect shifts in regional demand. The most recent revision occurred in 1982 to reflect changes reported in the 1980 Census of Housing. Weights assigned each region are:

Northeast	.14	South	.35
Midwest	.28	West	.23

Sales Volume

6. Estimated total sales volume of single-family homes and condominiums and cooperatives for each region is computed by using a constant factor to blow up the reported sales of participating multiple listing systems. Regional factors were developed by analyzing the relationship between reported Board sales and measures of total market activity derived from special computer runs from the Annual Housing Survey tapes and from the 1980 Census of Housing.

7. Regional sales are then aggregated to yield national sales volume. Because of the method of computation, regional figures will not always total to the U.S. statistic. Such differences are due entirely to rounding.

8. Quarterly estimates for total existing home sales by state are developed subsequent to the national and regional single-family and apartment condominium/condo statistics. A constant "blow-up" factor is used. These factors were developed by comparing sales reported by participating Boards to market activity benchmarks from the 1980 Census of Housing. State estimates are then adjusted to conform with regional totals.

9. In the main, a transaction is reported when the sales contract is signed, but a number of Boards report "closings." To the extent "closings" are contained in this series, they introduce a "distributive lag" effect which tends to smooth out month-to-month fluctuations in reported volume.

Sales Price

10. Median and average (mean) sales prices are computed for the U.S. and each region of the country and median sales prices are computed for selected metropolitan areas. Because of the nature of the distribution of home sales prices, the average (mean) sales price is higher than the median price.

11. Movements in sales prices should not be interpreted as measuring changes in the cost of a *standard home*. Prices are influenced by changes in cost *and* changes in the characteristics and size of homes actually sold.

12. There is a modest degree of seasonal variation in reported selling prices. Sales prices tend to reach a seasonal peak in July, and then decline moderately over the next three months before experiencing a seasonal upturn. However, sales prices are *not seasonally adjusted*.

Seasonal Adjustment

13. Volume statistics are seasonally adjusted using the X-II Variant of the Census Method II Seasonal Adjustment Program of the Bureau of the Census. The procedure includes adjusting for trading-day variation—the number of Mondays, Tuesdays, etc., in a particular month. This type of fluctuation in the data was found to be significant.

14. Sales in each region are first seasonally adjusted and then aggregated to yield the U.S. statistic.

15. Seasonal indices are based on monthly single-family home sales activity dating from July 1966. Seasonal patterns for apartment condominium/cooperative sales and state home sales are based on a quarterly data beginning in 1975. New seasonal adjusters are constructed at the conclusion of each year. Data for the three preceding years are revised using these new seasonal factors.

Annual subscription price for 12 monthly issues is $44 to members of the NATIONAL ASSOCIATION OF REALTORS® and $60 to nonmembers.

Questions concerning this report should be directed to the **NATIONAL ASSOCIATION OF REALTORS®**, Economics and Research Division, 777 14 Street, N.W., Washington, D.C. 20005 (202) 383-1063.

William M. Moore, *President* Glenn E. Crellin, *Staff Vice President*
Halvor M. Juul, *Director*

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existing home sales

Existing Home Sales

Home resales in 1986 were at their highest levels in the 1980s. December figures indicated a new sales record of 4,170,000 units at seasonally adjusted annual rates, a level 6.6 percent higher than November and 18.5 percent higher than a year earlier. December's sales top the November 1978 record by 20,000 units.

The primary reason for the increase was a 20 basis point drop in the mortgage interest rate during the month. In addition, December's weather was much better than usual, thus bringing additional buyers.*

Finally, tax reform was impacting on the market in two ways. The only major housing related tax break preserved under the Tax Reform Act of 1986 was the mortgage interest deduction for first and second homes; buyers, anxious to lock in that deduction for 1987, were active in the market. Also, some investors in single-family homes who had significant capital gains were encouraged to recognize those gains in 1986, subjecting them to the lower capital gains tax rate rather than bringing them into regular income for tax years beginning after January 1, 1987.

For the entire year, a total of 3,565,000 existing single-family homes were sold. Sales of 703,000 units in the Northeast were a new historical record, while in the Midwest and the South the highest sales level this decade was achieved. In the West, although the sales rate increased 10.1 percent, 1986 sales remained below 1980 levels.

In 1986, a total of 3,897,000 housing units (including single-family, condos and co-ops) changed ownership, a level 11.6 percent above 1985. Sales jumped 14.8 percent in the Northeast and 14.7 percent in the Midwest recording 869,000 and 1,051,000 total sales last year, respectively. In the West total resales increased 10.1 percent to 643,000 units while the largest region, despite some poor economic performances, showed an increase in total home resales of 8.0 percent to 1,335,000 units.

Inventory Available for Sale

At the end of December fewer than two million homes were on the market for resale. These 1.94 million homes are sufficient to sustain the resale market for just 5.6 months at December's resale pace. The available inventory of homes for sale usually declines in December as prospective sellers are reluctant to list their homes during the holiday season. But current supply is extraordinarily low and may foretell increasing pressure on home prices in coming months.

Existing Home Prices

The median price for existing homes sold in December was $80,600, an increase of $200 from a month earlier and 6.8 percent higher than a year ago. The extreme regionalization of price behavior continues. The Northeast recorded a remarkable $14,400 increase in one month and registered a median price of $120,800— 28.9 percent above a year earlier. In the Midwest the median price has increased 7.3 percent over the last 12 months to $62,900. Similarly the West has recorded a 6.5 percent increase to $100,600. The prevalence of distressed property sales in the South held the increase to 1.8 percent, recording a median price of $75,400 in December.

For the year, the nationwide median existing house price was $80,300, a level 6.4 percent above 1985. Both the highest median price ($105,100) and the most rapid increase (18.8%) occurred in the Northeast. Median prices remained lowest in the Midwest ($63,600), but prices there registered the second fastest regional increase (8.0%). The second most costly region is the West with a median of $100,500, an increase of 5.3 percent from 1985. Economic problems in parts of the South in 1986 held the increase in the median price to 4.0 percent with a $78,200 median.

* December, January and February are traditionally low-volume home sales months. They depend on a significant degree of seasonal adjustment to maintain comparability with other months. Even small variations in actual sales activity can lead to significant changes in seasonally adjusted data. Thus good weather explains part of the record-level sales this December.

Housing Affordability

Led by a 20 basis point decline in mortgage interest rates and continued increase in family income, the affordability of housing improved in December. The Housing Affordability Index increased two full points to 110.8, meaning the median income family has an income nearly 11 percent higher than required to minimally qualify for a mortgage on a median price home. Specifically, the income required to qualify for an 80 percent loan on the median price home is $26,364, $2,836 less than the median family income. The affordability of both adjustable rate and fixed rate loans increased in December and recorded indexes well above 100.

In 1986, for the first time since 1979, the annual median price home was affordable for the median income family. A typical family last year had an income 5.7 percent higher than the bare minimum required to qualify for an 80 percent loan on the median price home.

Condominium/Cooperative Resales

All four regions experienced increases in the rate of condo/co-op activity in the fourth quarter of 1986, pushing the nationwide rate to a new record 406,000 units. Condo/co-op resales increased most rapidly in the South, jumping 16.2 percent to an 86,000 unit annual rate. In the Northeast condo/co-op sales continued to surge, increasing 11.1 percent to a 211,000 unit rate. A similar 9.8 percent increase took place in the Midwest to 67,000 units, while in the West condo/co-op sales were 2.4 percent higher than the previous quarter with a 42,000 unit sales rate.

State Home Resales

The largest state in terms of home resales continues to be California with 484,600 sales in 1986. This was followed by Pennsylvania (259,100) and New York (216,300). Other states in the "top 10" were Texas, Michigan, Ohio, Illinois, Florida, New Jersey, and North Carolina. These states accounted for over 2,000,000 sales or 51.7 percent of the national total.

Different states also showed strikingly different changes in housing markets in 1986. Minnesota recorded the sharpest percentage growth in home resales, with Hawaii and Illinois not far behind. In total, six states had resale housing markets at least 20 percent better than in 1985. Twenty-two states and the District of Columbia had markets which increased at least 10 percent. At the other extreme, three states (New Hampshire, Louisiana, and Alaska) recorded sales levels more than ten percent below a year earlier. Nine other states recorded lesser declines.

Down 10% or more	Down 0.1 - 9.9%	Up 0.1 - 9.9%	Up 10.0% - 19.9%	Up 20% or More
Alaska	Colorado	Alabama	California	Hawaii
Louisiana	Connecticut	Arizona	Dist. of Columbia	Illinois
New Hampshire	Idaho	Arkansas	Florida	Minnesota
	Indiana	Delaware	Georgia	Pennsylvania
	Mississippi	Kentucky	Iowa	Vermont
	New Mexico	Maryland	Kansas	Virginia
	Texas	Massachusetts	Maine	
	Utah	Missouri	Michigan	
	Wyoming	Montana	Nevada	
		Nebraska	New York	
		New Jersey	North Carolina	
		North Dakota	Ohio	
		Oklahoma	Oregon	
		Rhode Island	South Dakota	
		South Carolina	Tennessee	
		West Virginia	Washington	
			Wisconsin	

Metropolitan Home Sales Prices

The striking regional housing market performance is reinforced in an examination of housing prices across metropolitan areas. The median price existing home sold in 1986 exceeded $100,000 in seven metropolitan areas last year, led by New York/Northern New Jersey/Long Island at $160,600 and greater Boston at $159,200. Other areas in the high-priced group included Orange County, California, metropolitan Hartford, the Los Angeles area, greater San Diego and metropolitan Washington, D.C.

At the other end of the spectrum were ten areas with prices below $60,000. The Grand Rapids, Michigan area recorded the lowest median at $50,400 followed by greater Louisville at $51,900. Other lower-cost areas included metropolitan Akron, the Buffalo/Niagara Falls area, greater Des Moines, the Detroit area, metropolitan El Paso, the Jacksonville area, greater Omaha and metropolitan Toledo.

Price changes also varied widely. Metropolitan areas heavily dependent on the oil industry, specifically Baton Rouge, Houston, Oklahoma City, and Tulsa, all saw the median home price decline in their area while eight metropolitan areas concentrated in the Northeast experienced significant increases in the median resale home price. The Providence and Hartford areas recorded price increases of nearly 30 percent while the Albany/Schenectady/Troy area, greater Boston, and New York/Northern New Jersey/Long Island areas showed price increases of about 20 percent.

Down	Up 0.1 - 4.9%	Up 5.0 - 9.9%	Up 10.0% or More
Baton Rouge	Baltimore	Akron	Albany/Schenectady/ Troy
Houston	Cleveland	Albuquerque	Boston
Oklahoma City	Denver	Orange County, CA	Buffalo/Niagara Falls
Tulsa	El Paso	Birmingham	Detroit
	Ft. Lauderdale/ Hollywood/ Pompano	Chicago	Hartford
		Columbus	New York/Northern New Jersey/Long Island
	Las Vegas	Dallas/Ft. Worth	Providence
	Louisville	Des Moines	San Diego
	Miami/Hialeah	Grand Rapids	
	Milwaukee	Indianapolis	
	Minneapolis/ St. Paul	Jacksonville	
		Kansas City	
	Omaha	Memphis	
	Orlando	Nashville/Davidson	
	Portland	Philadelphia	
	Salt Lake City/ Ogden	Phoenix	
		Rochester	
	San Antonio	St. Louis	
	Washington, DC	San Francisco Bay Area	
	West Palm Beach/ Boca Raton/ Delray Beach	Tampa/St. Petersburg/ Clearwater	
		Toledo	

UNITED STATES SUMMARY

		Existing Single-Family Home Sales (Seasonally Adjusted Annual Rates)	Number of Homes Available for Sale (End of Period)	Months' Supply of Homes on the Market	Median Sales Price of Existing Single-Family Homes
	1981	2,419,000	n/a	*	$66,400
	1982	1,990,000	1,910,000	*	67,800
	1983	2,719,000	1,980,000	*	70,300
	1984	2,868,000	2,260,000	*	72,400
	1985	3,214,000	2,200,000	*	75,500
	1986[p]	3,565,000	1,940,000	*	80,300
1985	Nov	3,450,000	2,510,000	8.7	$74,900
	Dec	3,520,000	2,200,000	7.5	75,500
1986	Jan	3,300,000	2,650,000	9.6	$77,100
	Feb	3,270,000	2,740,000	10.0	77,400
	Mar	3,200,000	2,800,000	10.5	79,800
	Apr	3,570,000	3,040,000	10.2	80,200
	May	3,450,000	2,860,000	9.9	83,200
	Jun	3,390,000	2,690,000	9.5	82,600
	Jul	3,470,000	2,530,000	8.7	79,900
	Aug	3,610,000	2,670,000	8.9	82,000
	Sep	3,770,000	2,450,000	7.8	80,300
	Oct	3,810,000	2,470,000	7.8	79,400
	Nov[r]	3,910,000	2,570,000	7.9	80,400
	Dec[p]	4,170,000	1,940,000	5.6	80,600

r Revised p Preliminary n/a not available * not applicable

UNIT VOLUME

EXISTING SINGLE-FAMILY HOME SALES

Year		United States	Northeast	Midwest	South	West
1981		2,419,000	353,000	632,000	917,000	516,000
1982		1,990,000	354,000	490,000	780,000	366,000
1983		2,719,000	493,000	709,000	1,035,000	481,000
1984		2,868,000	511,000	755,000	1,073,000	529,000
1985		3,214,000	622,000	866,000	1,172,000	554,000
1986[p]		3,565,000	703,000	991,000	1,262,000	610,000
			Seasonally Adjusted Annual Rates			
1985	Nov	3,450,000	670,000	910,000	1,270,000	600,000
	Dec	3,520,000	700,000	950,000	1,270,000	600,000
1986	Jan	3,300,000	730,000	890,000	1,160,000	520,000
	Feb	3,270,000	660,000	930,000	1,150,000	530,000
	Mar	3,200,000	630,000	950,000	1,080,000	530,000
	Apr	3,570,000	710,000	1,080,000	1,220,000	570,000
	May	3,450,000	710,000	990,000	1,180,000	570,000
	Jun	3,390,000	670,000	970,000	1,180,000	570,000
	Jul	3,470,000	670,000	930,000	1,270,000	590,000
	Aug	3,610,000	710,000	990,000	1,260,000	650,000
	Sep	3,770,000	720,000	1,050,000	1,380,000	620,000
	Oct	3,810,000	760,000	990,000	1,350,000	710,000
	Nov[r]	3,910,000	720,000	1,000,000	1,490,000	710,000
	Dec[p]	4,170,000	810,000	1,100,000	1,470,000	790,000
			Not Seasonally Adjusted			
1985	Nov	246,000	46,000	57,000	100,000	42,000
	Dec	219,000	41,000	56,000	82,000	39,000
1986	Jan	213,000	45,000	50,000	84,000	34,000
	Feb	218,000	39,000	66,000	77,000	35,000
	Mar	277,000	50,000	85,000	93,000	48,000
	Apr	336,000	61,000	110,000	114,000	50,000
	May	330,000	67,000	96,000	111,000	54,000
	Jun	338,000	67,000	99,000	113,000	59,000
	Jul	336,000	68,000	94,000	120,000	54,000
	Aug	341,000	72,000	93,000	116,000	60,000
	Sep	317,000	68,000	85,000	107,000	57,000
	Oct	326,000	70,000	81,000	115,000	60,000
	Nov[r]	266,000	46,000	63,000	110,000	46,000
	Dec[p]	268,000	50,000	68,000	98,000	52,000

Components may not agree with totals due to rounding.

r Revised

p Preliminary

DOLLAR VOLUME

DOLLAR VOLUME OF EXISTING SINGLE-FAMILY HOME SALES
(Billions of Dollars)

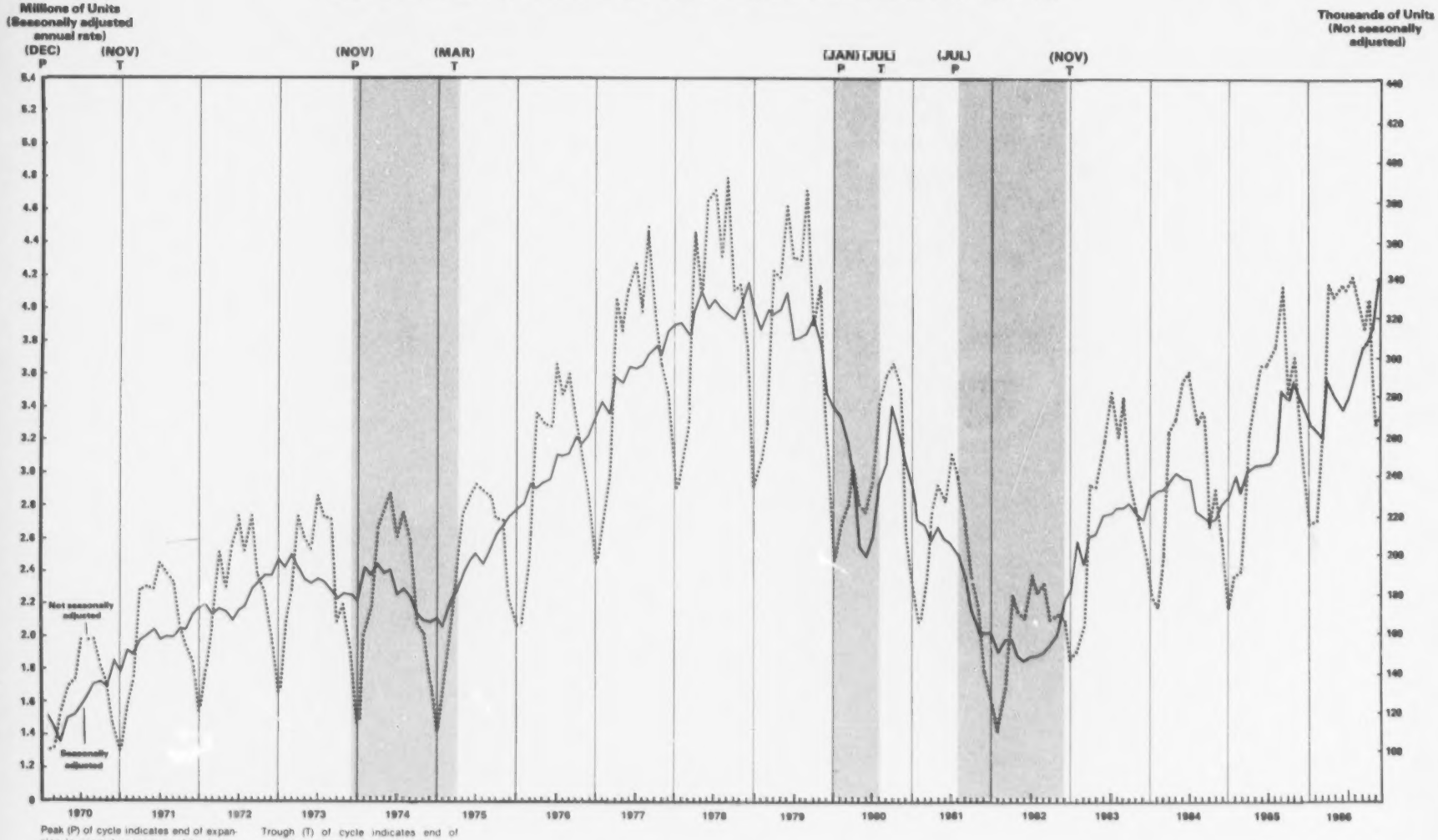
Year		United States	Northeast	Midwest	South	West
1981		$189.4	$26.8	$37.2	$69.1	$57.5
1982		160.2	26.7	29.7	61.4	41.8
1983		225.9	42.1	44.6	84.4	53.4
1984		246.6	48.4	48.1	90.1	59.6
1985		291.9	67.8	57.2	103.9	63.1
1986[p]		351.5	90.6	70.5	117.0	74.2
		Seasonally Adjusted Annual Rates				
1985	Nov	$308.6	$73.6	$58.6	$112.0	$68.0
	Dec	321.6	80.4	63.1	113.1	67.9
1986	Jan	$307.0	$85.8	$59.3	$104.6	$59.4
	Feb	304.9	76.9	63.7	103.8	60.3
	Mar	309.5	77.3	67.5	101.5	62.0
	Apr	350.2	89.5	78.8	112.2	67.5
	May	351.1	89.8	71.6	115.9	73.3
	Jun	346.5	90.1	71.0	112.6	72.8
	Jul	344.0	87.6	67.0	116.2	73.9
	Aug	362.3	93.8	71.5	117.2	81.8
	Sep	369.9	95.1	73.8	125.8	74.8
	Oct	370.9	99.8	68.3	120.2	87.1
	Nov[r]	387.8	94.4	72.8	134.8	87.6
	Dec[p]	419.3	112.0	79.2	136.2	97.0
		Not Seasonally Adjusted				
1985	Nov	$22.2	$5.1	$3.7	$8.8	$4.7
	Dec	20.1	4.7	3.8	7.3	4.4
1986	Jan	$19.8	$5.3	$3.3	$7.6	$3.9
	Feb	20.3	4.6	4.5	6.9	4.0
	Mar	26.9	6.2	6.1	8.8	5.6
	Apr	32.9	7.8	8.1	10.5	6.0
	May	33.5	8.5	6.9	11.0	7.0
	Jun	34.5	9.1	7.2	10.8	7.5
	Jul	33.4	8.8	6.8	11.0	6.7
	Aug	34.2	9.6	6.7	10.8	7.5
	Sep	31.1	8.9	6.0	9.8	6.9
	Oct	31.7	9.2	5.6	10.2	7.3
	Nov[r]	26.3	6.1	4.5	10.0	5.7
	Dec[p]	26.9	6.9	4.9	9.1	6.4

Components may not agree with totals due to rounding.

r Revised

p Preliminary

EXISTING SINGLE-FAMILY HOME SALES FOR THE UNITED STATES, MONTHLY, 1968 - 1986



Peak (P) of cycle indicates end of expansion in general economy and beginning of recession (shaded area).

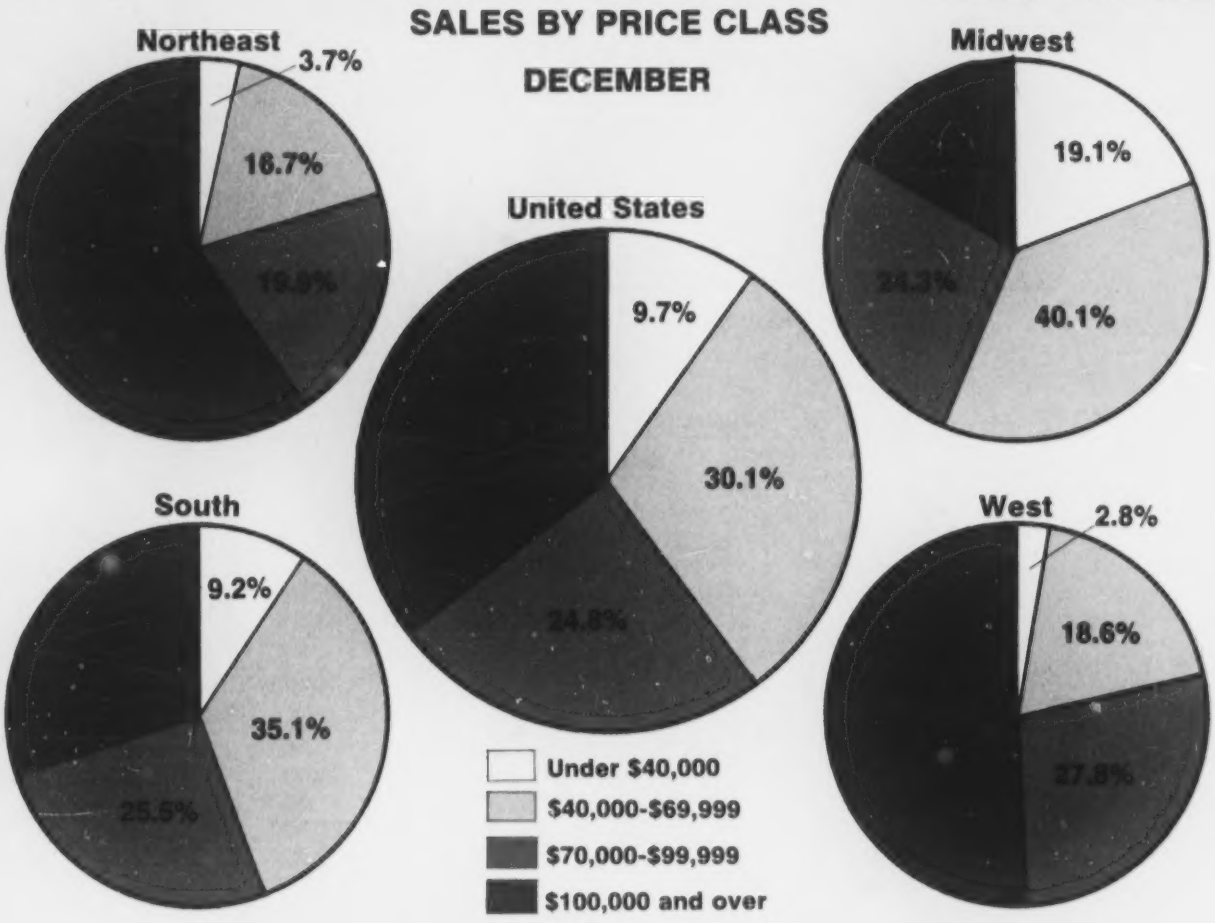
Trough (T) of cycle indicates end of recession in general economy and beginning of expansion.

SALES PRICE

SALES PRICE OF EXISTING SINGLE-FAMILY HOMES
(Not Seasonally Adjusted)

	Year	United States	Northeast	Midwest	South	West
			Median			
	1981	$66,400	$63,700	$54,300	$64,400	$96,200
	1982	67,800	63,500	55,100	67,100	98,900
	1983	70,300	72,200	56,600	69,200	94,900
	1984	72,400	78,700	57,100	71,300	95,800
	1985	75,500	88,900	58,900	75,200	95,400
	1986[p]	80,300	105,100	63,600	78,200	100,500
1985	Nov	$74,900	$89,200	$57,700	$75,000	$94,800
	Dec	75,500	93,700	58,600	74,100	94,500
1986	Jan	$77,100	$97,800	$60,000	$76,200	$95,000
	Feb	77,400	96,400	62,100	76,600	95,000
	Mar	79,800	102,400	64,400	79,500	97,100
	Apr	80,200	105,100	66,200	78,400	96,600
	May	83,200	104,900	64,600	82,900	104,700
	Jun	82,600	109,700	65,200	80,000	103,000
	Jul	79,900	104,600	64,200	77,200	101,700
	Aug	82,000	107,500	63,700	79,700	102,900
	Sep	80,300	106,000	62,800	77,800	100,100
	Oct	79,400	106,000	61,100	75,900	101,700
	Nov[r]	80,400	106,400	63,500	76,300	102,400
	Dec[p]	80,600	120,800	62,900	75,400	100,600
			Average (Mean)			
	1981	$78,300	$76,000	$58,900	$75,400	$111,400
	1982	80,500	75,400	60,700	78,700	114,200
	1983	83,100	85,400	62,900	81,500	111,000
	1984	86,000	94,800	63,700	84,000	112,700
	1985	90,800	108,900	66,100	88,700	113,900
	1986[p]	98,600	128,900	71,200	92,700	121,800
1985	Nov	$90,300	$110,200	$64,700	$88,100	$112,900
	Dec	91,800	114,900	66,600	88,900	112,900
1986	Jan	$93,000	$118,100	$66,800	$90,000	$113,900
	Feb	93,100	116,000	68,400	90,400	113,700
	Mar	96,800	122,500	70,900	93,900	117,000
	Apr	98,100	126,900	73,100	92,300	119,300
	May	101,700	127,300	72,000	98,600	127,700
	Jun	102,100	134,900	73,000	95,800	126,800
	Jul	99,200	130,100	72,000	91,500	124,800
	Aug	100,300	133,100	71,900	93,300	125,000
	Sep	98,200	131,900	70,500	91,300	121,000
	Oct	97,300	131,600	68,700	89,000	123,200
	Nov[r]	99,100	131,900	72,500	90,700	123,900
	Dec[p]	100,500	138,100	72,000	92,500	123,400

r Revised
p Preliminary



SALES OF EXISTING SINGLE-FAMILY HOMES FOR THE UNITED STATES BY PRICE CLASS

(Percentage Distribution)

Price Class	Dec 1982	Dec 1983	Dec 1984	Dec 1985r	Dec 1986p
$19,999 or under	2.7	2.1	2.1	1.7	1.7
$20,000-$29,999	4.5	4.1	3.8	3.2	2.6
$30,000-$39,999	8.5	7.8	7.1	6.4	5.4
$40,000-$49,999	12.0	11.0	10.5	9.5	8.7
$50,000-$59,999	13.0	12.9	12.3	11.3	10.5
$60,000-$69,999	11.9	12.2	11.8	12.1	10.9
$70,000-$79,999	10.1	10.8	10.6	10.3	9.6
$80,000-$89,999	8.1	8.7	8.6	8.7	8.8
$90,000-$99,999	5.7	5.7	6.5	6.5	6.4
$100,000-$119,999	7.9	8.3	8.4	8.7	8.7
$120,000-$159,999	8.5	8.8	9.6	10.7	11.9
$160,000-$199,999	3.4	3.6	4.1	4.9	6.0
$200,000-$249,999	1.9	2.0	2.2	2.7	3.6
$250,000 and over	1.8	2.0	2.4	3.3	5.2
Total	100.0	100.0	100.0	100.0	100.0
Median Price	$67,800	$69,900	$72,100	$75,500	$80,600

r Revised
p Preliminary

SALES OF EXISTING SINGLE-FAMILY HOMES BY PRICE CLASS DECEMBER 1986[p]

(Percentage Distribution)

Price Class	United States	Northeast	Midwest	South	West
$19,999 or under	1.7	0.6	3.8	1.2	0.6
$20,000-$29,999	2.6	1.0	5.4	2.3	0.7
$30,000-$39,999	5.4	2.1	9.9	5.7	1.5
$40,000-$49,999	8.7	3.8	13.0	10.5	3.6
$50,000-$59,999	10.5	6.1	13.9	12.4	6.3
$60,000-$69,999	10.9	6.8	13.2	12.2	8.7
$70,000-$79,999	9.6	7.1	10.1	10.4	9.5
$80,000-$89,999	8.8	7.5	8.5	9.0	9.7
$90,000-$99,999	6.4	5.3	5.7	6.1	8.6
$100,000-$119,999	8.7	9.2	6.0	8.7	12.2
$120,000-$159,999	11.9	18.9	6.0	10.9	16.0
$160,000-$199,999	6.0	12.2	2.4	4.5	8.5
$200,000-$249,999	3.6	7.3	1.1	2.5	6.1
$250,000 and over	5.2	12.1	1.0	3.6	8.0
Total	100.0	100.0	100.0	100.0	100.0
Median Price	$80,600	$120,800	$62,900	$75,400	$100,600

SALES OF EXISTING SINGLE-FAMILY HOMES BY NUMBER OF BEDROOMS DECEMBER 1986[p]

(Percentage Distribution)

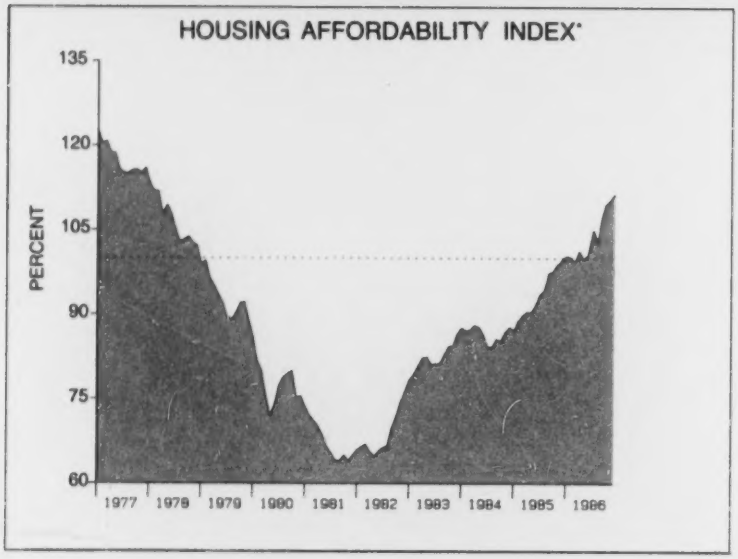
Number of Bedrooms	United States	Northeast	Midwest	South	West
2 Bedrooms or less	18.3	15.9	19.5	16.6	20.6
3 Bedrooms	53.2	49.6	55.2	54.8	51.4
4 Bedrooms or more	28.5	34.5	25.3	28.6	28.0
Total	100.0	100.0	100.0	100.0	100.0

MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES FOR THE UNITED STATES BY NUMBER OF BEDROOMS

Number of Bedrooms	Dec 1982	Dec 1983	Dec 1984	Dec 1985[r]	Dec 1986[p]
2 Bedrooms or less	$48,400	$ 59,900	$ 53,300	$ 55,100	$ 59,800
3 Bedrooms	$64,800	$ 77,600	$ 69,600	$ 71,600	$ 76,500
4 Bedrooms or more	$93,900	$115,000	$100,700	$103,700	$109,600
All Homes	$67,800	$ 69,900	$ 72,100	$ 75,500	$ 80,600

r Revised
p Preliminary

HOUSING AFFORDABILITY



Year	Median-Priced Existing Single-Family Home	Mortgage Rate**	Monthly P & I Payment	Payment as % Income	Median Family Income	Qualifying Income***	Affordability Indexes		
							Composite	Fixed	ARM
1981	$66,400	15.12%	$677	36.3%	$22,388	$32,485	68.9	68.9	68.9
1982	67,800	15.38	702	35.9	23,433	33,713	69.5	69.4	69.7
1983	70,300	12.85	616	30.1	24,580	29,546	83.2	81.7	85.2
1984	72,400	12.49	618	28.2	26,433	29,650	89.1	84.6	92.1
1985	75,500	11.74	609	26.2	27,735	29,243	94.8	89.6	100.6
1986p	80,300	10.25	576	23.7	29,200	27,631	105.7	102.8	112.2
1985									
Nov	$74,900	11.26%	$582	25.3%	$27,627	$27,957	98.8	93.1	106.0
Dec	75,500	11.12	581	25.1	27,735	27,873	99.5	93.8	106.8
1986									
Jan	$77,100	10.81%	$579	24.9%	$27,857	$27,771	100.3	95.9	105.7
Feb	77,400	10.83	582	25.0	27,979	27,923	100.2	97.0	105.7
Mar	79,800	10.62	590	25.2	28,101	28,306	99.3	97.2	104.3
Apr	80,200	10.37	581	24.7	28,223	27,872	101.3	99.6	105.5
May	83,200	10.15	592	25.0	28,345	28,392	99.8	98.6	103.4
Jun	82,600	10.20	590	24.9	28,467	28,305	100.6	99.2	106.5
Jul	79,900	10.26	573	24.1	28,590	27,517	103.9	102.0	111.2
Aug	82,000	10.26	588	24.6	28,712	28,240	101.7	98.9	109.8
Sep	80,300	10.08	568	23.6	28,834	27,243	105.8	102.5	113.2
Oct	79,400	9.97	556	23.0	28,956	26,689	108.5	104.8	117.2
Novr	80,400	9.84	557	23.0	29,078	26,729	108.8	104.8	118.0
Decp	80,600	9.65	549	22.6	29,200	26,364	110.8	106.3	119.1

r Revised

p Preliminary

* Index equals 100 when median family income equals qualifying income.

** Effective rate on loans closed on existing homes—Federal Home Loan Bank Board.

*** Based on current lending requirements of the Federal National Mortgage Association using a 20 percent downpayment.

CONDO AND CO-OP SALES

APARTMENT CONDO AND CO-OP SALES
(Seasonally Adjusted Annual Rates)

	Year	United States	Northeast	Midwest	South	West
	1981	153,000	45,000	33,000	46,000	28,000
	1982	130,000	45,000	26,000	39,000	20,000
	1983	205,000	79,000	41,000	54,000	31,000
	1984	230,000	96,000	45,000	55,000	34,000
	1985	279,000	135,000	50,000	64,000	30,000
	1986[p]	332,000	166,000	60,000	73,000	33,000
1985	III	304,000	152,000	53,000	68,000	30,000
	IV	303,000	143,000	53,000	71,000	35,000
1986	I	293,000	148,000	48,000	70,000	30,000
	II	301,000	143,000	61,000	68,000	30,000
	III	365,000	190,000	61,000	74,000	41,000
	IV[p]	406,000	211,000	67,000	86,000	42,000

TOTAL EXISTING HOME SALES
SINGLE-FAMILY, APARTMENT CONDOS AND CO-OPS
(Seasonally Adjusted Annual Rates)

	Year	United States	Northeast	Midwest	South	West
	1981	2,572,000	398,000	665,000	963,000	544,000
	1982	2,120,000	399,000	516,000	819,000	386,000
	1983	2,924,000	572,000	750,000	1,089,000	512,000
	1984	3,098,000	607,000	800,000	1,128,000	563,000
	1985	3,493,000	757,000	916,000	1,236,000	584,000
	1986[p]	3,897,000	869,000	1,051,000	1,335,000	643,000
1985	III	3,660,000	810,000	990,000	1,270,000	590,000
	IV	3,800,000	840,000	990,000	1,330,000	650,000
1986	I	3,550,000	820,000	980,000	1,200,000	560,000
	II	3,770,000	840,000	1,070,000	1,260,000	600,000
	III	3,980,000	890,000	1,050,000	1,380,000	660,000
	IV[p]	4,370,000	970,000	1,100,000	1,520,000	780,000

r Revised

STATE SALES DATA

TOTAL EXISTING HOME SALES FOR EACH STATE
SINGLE-FAMILY, APARTMENT CONDOS and CO-OPS
(Units in Thousands)

State	Years			Quarters (Seasonally Adjusted Annual Rate)				
	1984	1985	1986p	1985	1986			
				IV	I	II	III	IVp
Alabama	53.3	59.7	61.0	67.0	56.5	58.5	60.5	71.9
Alaska	9.2	10.0	6.1	11.3	11.5	9.5	5.7	5.6
Arizona	59.8	71.7	74.0	76.8	61.3	83.7	79.1	72.5
Arkansas	43.4	49.8	52.9	53.9	44.0	50.1	60.7	59.6
California*	382.1	407.2	484.6	430.3	395.0	473.3	505.3	579.1
Colorado	47.1	49.3	47.7	55.6	45.9	42.6	58.7	53.9
Connecticut	44.5	56.0	52.0	64.6	52.7	50.8	45.7	70.7
Delaware	10.0	12.3	12.9	13.0	10.9	12.3	8.2	13.2
District of Columbia	7.8	9.9	11.6	10.8	11.8	13.4	11.4	11.8
Florida	137.6	151.3	169.4	197.5	140.3	142.5	182.0	230.3
Georgia	60.1	65.1	75.1	70.2	77.3	69.6	74.4	84.0
Hawaii	7.0	7.9	10.1	10.6	6.4	8.5	9.4	15.9
Idaho	12.3	11.5	11.4	12.0	9.6	10.2	12.7	12.9
Illinois	122.5	140.5	179.2	163.2	174.4	160.8	186.0	195.7
Indiana	64.5	90.1	85.9	115.1	67.9	91.9	94.0	95.0
Iowa	41.9	39.5	46.1	37.5	38.3	48.5	47.8	45.3
Kansas	49.8	47.4	54.0	43.9	51.3	61.7	51.9	55.4
Kentucky	57.3	57.7	58.6	60.2	54.4	51.1	60.8	72.5
Louisiana	50.3	44.1	34.5	34.6	29.5	35.0	35.7	36.4
Maine	23.3	27.1	30.5	28.6	24.1	30.3	31.3	36.4
Maryland	66.8	80.9	86.5	87.4	72.7	85.7	92.5	100.6
Massachusetts	66.5	80.5	85.2	90.4	80.2	85.2	92.2	98.5
Michigan	139.4	167.2	187.1	186.2	160.6	190.8	179.5	198.4
Minnesota	65.5	73.9	96.8	76.8	87.8	115.4	78.9	83.4
Mississippi	32.0	35.5	34.4	36.2	26.9	32.4	41.3	38.6
Missouri	81.0	85.8	88.4	92.2	82.3	92.4	92.4	103.6
Montana	12.4	11.1	11.9	11.6	13.7	9.9	13.5	11.8
Nebraska	24.9	24.5	25.5	22.5	21.7	24.0	27.9	26.2
Nevada	9.4	10.0	11.1	11.1	10.9	11.8	10.6	10.9
New Hampshire	16.9	19.3	16.6	20.0	19.1	17.0	20.0	20.6
New Jersey	119.7	148.8	160.0	168.8	155.1	165.8	162.2	167.6
New Mexico	19.1	19.8	19.5	25.7	15.7	17.4	19.1	24.9
New York	148.9	190.7	216.3	212.3	223.9	218.2	214.4	237.1
North Carolina	103.2	123.3	139.0	133.1	120.5	134.7	144.2	152.7
North Dakota	10.0	8.9	9.5	9.9	11.6	8.4	9.5	12.5
Ohio	138.3	162.5	179.9	188.5	164.4	176.0	203.1	207.0
Oklahoma	51.9	46.8	49.4	46.5	41.5	43.0	51.3	48.3
Oregon	35.7	39.3	45.1	48.6	36.4	38.9	46.1	61.0
Pennsylvania	170.4	210.8	259.1	229.2	236.1	245.6	278.9	312.2
Rhode Island	11.0	13.2	13.5	14.3	11.6	12.2	15.3	15.5
South Carolina	46.0	52.6	57.7	53.3	51.8	54.6	55.6	67.3
South Dakota	11.8	11.3	13.2	10.3	12.0	17.6	11.9	12.6
Tennessee	78.7	99.2	112.4	112.6	90.0	102.0	121.9	131.5
Texas	196.7	203.8	198.9	221.3	169.8	169.7	215.1	257.6
Utah	15.0	15.5	14.7	16.4	14.8	14.3	16.8	15.9
Vermont	8.2	9.9	12.2	11.1	9.3	11.8	12.8	14.4
Virginia	98.1	107.2	130.4	107.4	141.1	144.4	114.7	122.4
Washington	44.9	43.8	50.8	46.5	47.1	45.4	55.0	61.9
West Virginia	34.6	37.7	39.6	39.6	38.1	43.3	39.0	37.8
Wisconsin	56.0	65.5	76.9	62.1	61.3	82.3	83.1	87.0
Wyoming	6.2	6.5	6.1	7.0	5.0	5.8	6.7	6.9

* Provided by the California Association of REALTORS®
n/a Not Available p Preliminary

METROPOLITAN AREA DATA

MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES FOR METROPOLITAN AREAS*

(Not Seasonally Adjusted in Thousands of Dollars)

Metropolitan Area	Years			Quarters				
	1984	1985	1986p	1985	1986			
				IV	I	II	III	IVp
Akron	$50.4	$52.7	56.2	$51.6	$51.1	$58.2	$56.9	$56.7
Albany/Schenectady/Troy	52.9	60.3	72.3	61.5	67.5	73.3	74.4	75.4
Albuquerque	73.4	76.8	81.6	77.2	77.6	79.7	85.4	82.0
Orange County (Anaheim/Santa Ana MSA**)	133.7	136.2	147.7	139.6	138.0	149.4	149 6	152.4
Baltimore	66.1	72.6	74.0	72.8	71.6	72.8	78.0	74.3
Baton Rouge	73.5	74.6	70.9	73.1	73.6	73.3	69.8	68.5
Birmingham	65.1	64.5	68.3	64.6	67.1	69.4	69.6	66.7
Boston	100.0	134.2	159.2	144.8	145.6	156.2	163.0	167.8
Buffalo/Niagara Falls	44.8	46.7	52.4	46.7	49.7	54.0	52.8	52.9
Charlotte/Gastonia/Rock Hill, NC-SC	66.8	69.4	n/a	70.4	70.6	75.9	75.4	n/a
Chicago	79.5	81.1	86.1	81.5	82.0	84.7	86.7	85.8
Cincinnati	58.9	60.2	n/a	58.5	62.1	64.2	64.5	n/a
Cleveland	62.7	64.4	66.9	62.2	62.1	68.0	68.4	65.1
Columbus	59.9	62.2	65.5	62.7	62.6	67.7	66.1	64.0
Dallas/Ft. Worth	82.2	87.7	92.8	87.2	93.4	93.6	92.4	89.8
Denver	82.7	84.3	86.4	84.5	84.6	87.3	87.5	85.8
Des Moines	52.4	52.5	55.9	51.6	52.7	59.0	55.2	55.0
Detroit	48.5	51.7	58.1	51.7	54.0	57.5	59.9	60.1
El Paso	57.8	57.6	59.0	58.3	57.2	60.9	59.6	58.5
Ft. Lauderdale/Hollywood/Pompano Beach	73.1	74.6	77.7	75.5	72.6	75.1	83.4	77.7
Grand Rapids	42.8	46.7	50.4	46.2	48.9	51.6	50.6	49.7
Hartford	87.4	99.6	129.0	103.9	106.4	127.6	132.0	134.6
Houston	77.6	78.6	69.9	76.7	70.4	72.0	70.4	67.6
Indianapolis	53.1	55.0	59.0	55.1	55.7	60.8	59.9	57.5
Jacksonville	55.7	58.4	62.8	58.6	58.9	57.5	65.7	62.7
Kansas City	59.1	61.4	65.4	59.1	65.7	67.0	64.1	65.1
Las Vegas	76.3	75.1	77.5	75.3	74.6	76.9	81.3	78.5
Los Angeles Area**	115.3	n/a	128.8	119.9	120.4	128.7	132.9	130.2
Louisville	48.9	50.6	51.7	49.2	48.1	52.6	53.7	51.9
Memphis	64.1	64.6	70.5	62.5	66.3	71.3	71.5	69.5
Miami/Hialeah	79.5	80.5	81.1	79.2	78.5	85.7	85.5	79.1
Milwaukee	68.2	67.5	69.9	68.1	67.6	71.0	70.8	69.2
Minneapolis/St. Paul	74.0	75.2	77.9	75.4	76.3	79.0	78.1	77.4
Nashville	62.9	66.1	70.8	66.6	68.4	71.4	71.2	71.7
New York/Northern New Jersey/Long Island	105.3	134.0	160.6	139.6	147.2	160.0	167.8	167.6
Oklahoma City	63.9	64.7	63.0	63.5	62.8	65.0	62.3	62.9
Omaha	56.2	58.3	58.8	57.8	58.6	62.0	57.8	58.5
Orlando	70.1	70.3	72.5	69.0	70.3	74.5	72.8	72.1
Philadelphia	65.2	70.8	74.5	69.3	72.2	73.6	75.6	77.1
Phoenix	74.7	74.7	78.4	75.7	76.2	78.8	79.1	77.9
Portland	62.9	61.5	62.6	59.5	59.9	63.4	63.1	62.5
Providence	59.6	67.5	87.6	70.2	71.9	84.4	91.9	96.4
Rochester	59.7	64.2	68.3	63.7	66.3	68.3	69.1	69.1
St. Louis	61.8	65.7	70.9	65.9	67.5	72.0	72.0	71.9
Salt Lake City/Ogden	65.8	66.7	68.5	67.5	66.4	67.8	69.9	69.0
San Antonio	67.5	67.7	69.4	65.0	67.0	69.1	69.3	71.4
San Diego**	100.2	106.4	118.2	110.6	110.0	119.9	121.1	118.8
San Francisco Bay Area	129.9	n/a	n/a	n/a	n/a	n/a	164.9	164.8
Syracuse	50.7	58.8	64.3	61.2	59.6	64.9	66.2	66.4
Tampa/St. Petersburg/Clearwater	58.4	58.4	61.4	58.9	56.8	62.1	62.8	63.9
Toledo, OH	50.7	51.9	56.0	49.6	52.1	57.4	60.2	53.2
Tulsa	67.3	66.7	65.5	63.6	66.4	66.8	65.6	63.4
Washington, D.C.	93.0	97.1	101.2	97.3	101.1	102.8	98.9	102.0
West Palm Beach/Boca Raton/Delray Beach	84.8	88.3	92.6	91.3	86.0	94.9	96.6	90.9

n/a Not Available p Preliminary

*All areas are metropolitan statistical areas (MSA) as defined by the U.S. Office of Management and Budget. They include the named central city and surrounding suburban areas. ** Provided by the California Association of REALTORS®

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Economics & Research Division
777 14th Street, N.W.
Washington, D.C. 20005